



Community Conversations

**The City of Greensboro's financial situation
going into the FY2009/10 budget.**

March 2009

Balanced Budget

Local Government Budget & Fiscal Control Act (state law) requires:

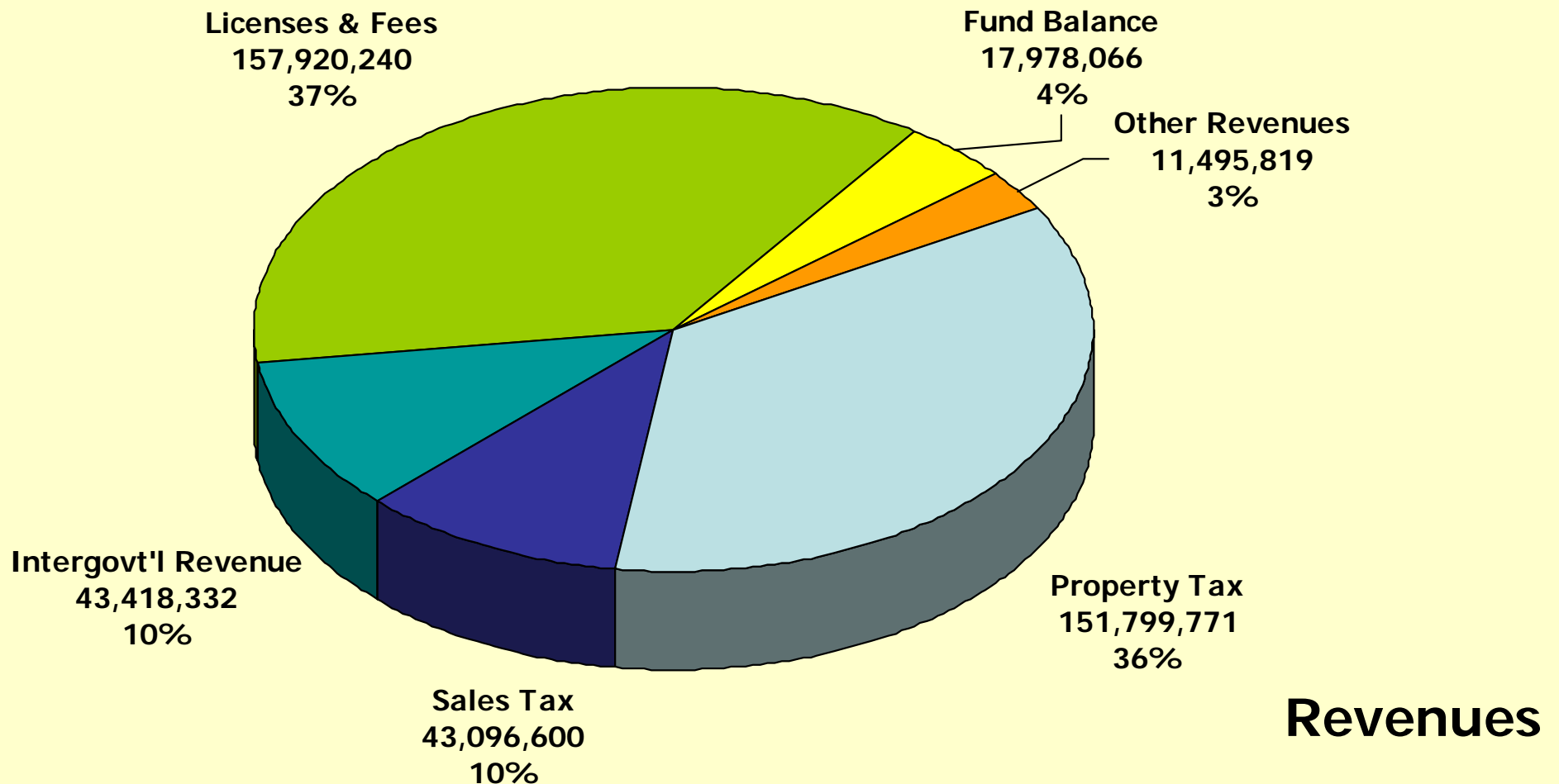
- Budgeted revenues equal budgeted expenditures
- A public hearing be held on the proposed budget
- The budget be adopted on or before July 1

Two Primary Funds

- General Fund: provides City services such as police patrol, street repair, and planning generally paid for by *property taxes, sales tax, revenues from other governments, licenses, permits, and fees*
- Enterprise Funds: operated in a manner similar to private businesses, with cost of business paid for primarily through *user fees* (e.g., water and sewer resources)

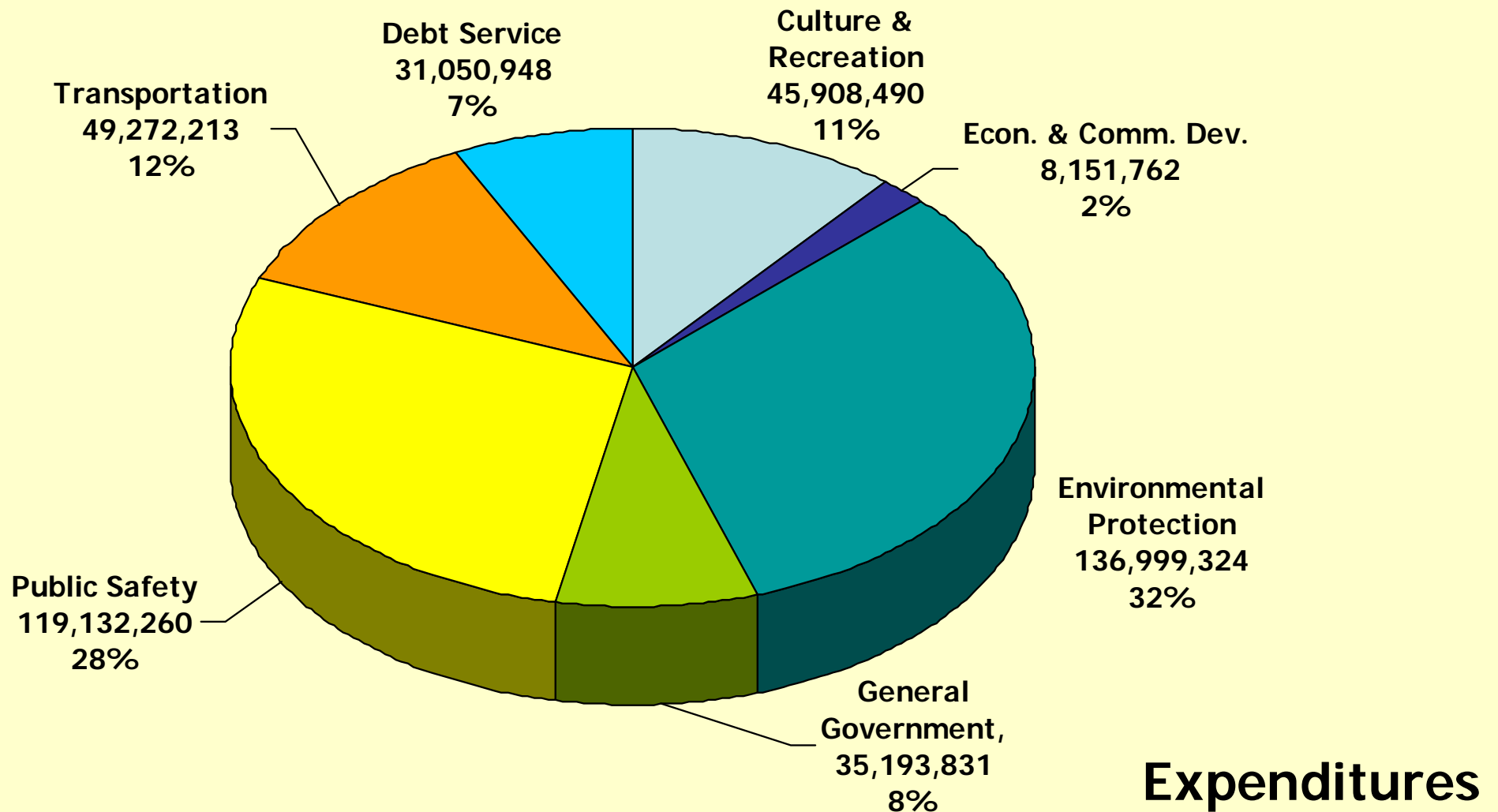
Where the Money Comes From

(FY 2008/09 Figures)



Where the Money Goes

(FY 2008/09 Figures)



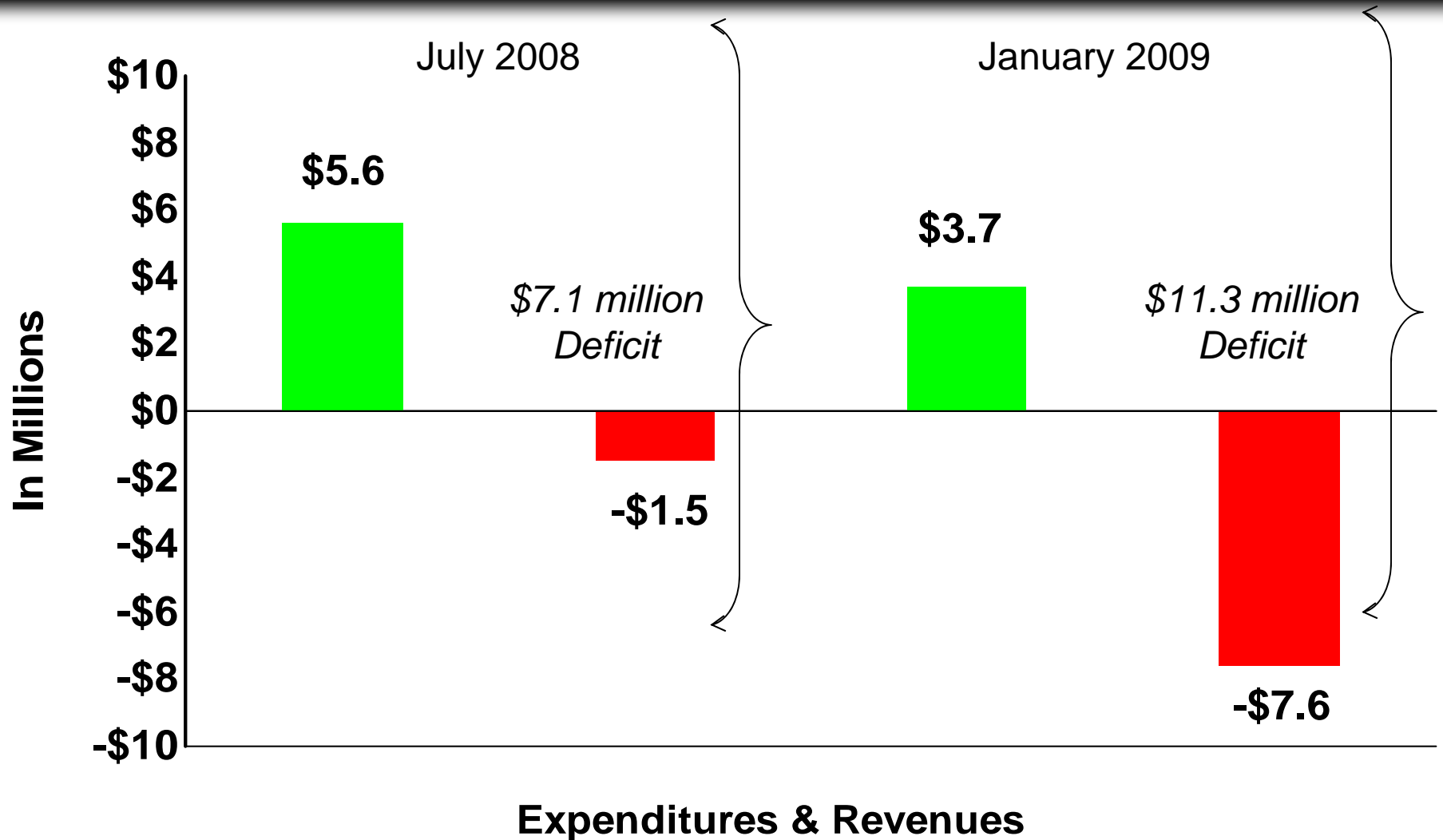
Shortfalls in the Current Year

- Due to economic slowdown, anticipate current year shortfall of \$4.5-5 million in these revenues:
 - Property tax
 - Sales tax
 - Permits
 - ABC receipts
 - Privilege licenses

Actions to Address Current Year's Shortfalls

- Not filling the majority of vacancies when they occurred
- Not entering into certain planned contracts
- 2% reduction in spending across the board
- Salaries frozen effective January 1, 2009

Projected FY 2009/10 Gap



Council Direction to Staff

Develop a balanced budget which covers projected revenue shortfalls with *no tax rate increase* and minimal impact on services, especially public safety.

Where You Come In . . .

- Past: across the board cuts
- Proposed for this year: targeted cuts based on
 - Residents' priorities
 - Active campaign to solicit employee suggestions
 - Incorporation of input by executive team into recommended service reductions for City Council consideration

Break-Out Meetings

- Two break-out groups - Blue and Red
- Forty minutes for discussion
- Answer three questions

Questions to Consider

- What services should the City offer that we are not currently offering?
- What service(s) could we do without?
- What service(s) should the City continue to provide?